Speech by STH at seminar-cum-luncheon in Copenhagen, Denmark (English only) (with photo)

Following is the speech by the Secretary for Transport and Housing and Chairman of the Hong Kong Maritime and Port Board (HKMPB), Mr Frank Chan Fan, at a seminar-cum-luncheon in Copenhagen, Denmark, jointly organised by the HKMPB, the Hong Kong Trade Development Council, the Hong Kong Economic and Trade Office, London, and the Denmark-Hong Kong Trade Association today (March 12, Copenhagen time):

Dear Mr Hennsen (Chairman of Denmark-Hong Kong Trade Association, Mr Nickolaj Hennsen), Mr Hemmingsen (Group Vice CEO of Maersk, Mr Claus Hemmingsen), Mr Zhao (Chargé d'affaires of Chinese Embassy in Denmark, Mr Zhao Shiren), distinguished guests, ladies and gentlemen,

Good afternoon. I am most delighted to be here at Copenhagen today, gathering with friends of the maritime industry from Denmark and Hong Kong. I am pleased to take the opportunity to share with you my observations and thoughts on what makes Denmark and Hong Kong trusted partners in maritime cooperation.

Denmark and Hong Kong: Common Background

Maritime is the lifeblood of the global economy that carries around 90 per cent of world trade. In 2017, the total volume of global seaborne trade has reached 10.7 billion tons, a 4 per cent growth as compared to 2016. The United Nations Conference on Trade and Development has projected an annual average compound growth of 3.8 per cent up to 2023. This is a rather promising outlook for the maritime sector amidst uncertainties in the global landscape.

In terms of maritime and shipping, Denmark is the sixth largest nation in terms of gross tonnage of the world's merchant fleet. Danish maritime companies account for about one-fourth of Denmark's total exports. As for Hong Kong, our shipping industry has been part and parcel of our history since mid-nineteenth century. With our ideal geographical location at the heart of Asia and free-trade economy, the Hong Kong Port grew strenuously and fueled every step of our economic transformation from a small fishing village into Asia's World City.

Nowadays, the Hong Kong Port is one of the busiest container ports in the world. Notwithstanding the intense competition, our role as the superconnector between East and West is timeless. We provide about 310 container liner services per week connecting to around 450 destinations worldwide. With over 800 shipping-related companies operating in Hong Kong, we are well-positioned to offer a great variety of quality maritime services ranging from

ship management, ship broking and chartering to marine insurance, maritime law and arbitration. We are also the leading international ship finance centre in Asia, with seven out of the world's top 10 book runners having offices in Hong Kong.

Denmark and Hong Kong: Mutual Interest in Chinese Market

While a similar background brings us together, it is our mutual interest that makes us trusted partners. In our case, the mutual interest would be the Mainland Chinese market. The fact that China took up some 14 per cent of the total exports from Danish shipping companies in 2017 speaks for itself. Indeed, such export volume is not only growing, but growing fast by nearly 16 per cent as compared to 2016.

On this, Hong Kong's unique relationship with the Mainland of China under the "one country, two systems" principle makes us the ideal springboard for Danish companies to do business with the Mainland. On the one hand, Hong Kong is part of China; on the other hand, our economic, legal and social systems are different from those of the Mainland. We are blessed to enjoy both the benefits of free trade and the first-mover advantage in the Mainland's major national initiatives. For those who are eager to tap into the Chinese market, Hong Kong offers the know-how, has the market access, and is the best platform to start your venture.

Among our various close ties with Mainland China, the most exciting new development is the promulgation of the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area last month. The Greater Bay Area encompasses Hong Kong, Macau and nine other cities in the Pearl River Delta. With a population of 70 million, and a GDP of US\$1.5 trillion, the Greater Bay Area is one of the most open and economically vibrant regions in China. The Outline Development Plan gives clear support for Hong Kong's status as an international maritime centre through the development of high-end maritime services. Hong Kong will actively work together with our maritime partners to seize the opportunities.

Mapping the Future of Hong Kong's Maritime Sector

Since the arrival of our delegation yesterday, we are enthused to hear about your ambitious plan to stay "Ahead of the Curve" by seeking to strengthen the Danish fleet and maritime employment by 2022. Hong Kong has also devised a clear policy roadmap for reinforcing our role as an international maritime centre. In October last year, we unveiled a package of initiatives to bolster the high value-added maritime services, including drawing up tax measures to boost ship leasing and marine insurance businesses, and injecting funding for nurturing maritime talents.

Take marine insurance as an example, we have a flourishing marine insurance market with a full range of insurance services on offer by global providers. Currently, we are home to almost 90 marine insurers underwriting hull, machinery and cargo risks, of which 35 are foreign insurers. In its 145-year of history, the International Union of Marine Insurance has chosen Hong Kong as its first overseas presence outside Europe. The setting up of

the Asia Hub by the Union is a testimony of Hong Kong's position as a prominent industry player in Asia. The Government is now seeking to offer a profit tax concession of 50 per cent for qualified marine insurance business, resulting in a net tax rate of 8.25 per cent. This will open up further opportunities and bring our marine insurance industry to new heights.

Closing

Ladies and gentlemen, while Denmark and Hong Kong are thousands of miles apart, our common background and mutual interest have brought us together. Indeed, I see promising prospect for us to make a good team in spurring the growth of the shipping industry. A moment later, fellow members of the Hong Kong Maritime and Port Board will share with you the specific strengths and opportunities lying with Hong Kong's maritime and port industry. On this note, may I wish you all a fruitful exchange today, and I look forward to welcoming you in Hong Kong one day. Thank you.



<u>Labour Department highly concerned</u> <u>about fatal work accident that</u> <u>happened yesterday</u>

The Labour Department (LD) is highly concerned about the work accident that happened in Tsuen Wan yesterday (March 11), in which a male worker, while riding on a ladder to repair a split-type air-conditioner, fell from the ladder onto the ground when the condenser of the air-conditioner suddenly exploded. He sustained serious head injury and passed away today (March 12) in the hospital. The LD is saddened by the death of the worker and has expressed its deepest sympathy to the victim's family.

The LD's spokesman said, "We commenced immediate on-site investigation yesterday as soon as we were notified of the accident and issued suspension notices to the contractor suspending the use of ladder, and the repair and maintenance work of split-type air-conditioner in the premises. The

contractor cannot resume the work process until LD is satisfied that measures to abate the relevant risk have been taken."

The spokesman added, "We will complete investigation as soon as possible to identify the cause of the accident, ascertain the liability of the duty holders and recommend improvement measures. We will take actions pursuant to the law if there is any violation of the work safety legislation."

The general duty provisions of the Factories and Industrial Undertakings Ordinance require employers to provide safe working environments, safe plant and safe systems of work for their employees. Those who contravene the above provisions are liable to a maximum fine of \$500,000 and imprisonment for six months.

In regard to yesterday's accident, the LD will issue a Work Safety Alert through its website and email, giving a brief account of the accident concerned to duty holders, workers' unions, professional bodies of safety practitioners and others, and reminding the industry of the importance of following safety precautionary measures to prevent recurrence of similar accidents.

The LD will also remind the employer concerned of the liability for employees' compensation under the Employees' Compensation Ordinance, assist family members of the deceased to claim employees' compensation and closely follow up on the case. For those with financial difficulties, the LD will assist them to apply for appropriate emergency funds. Subject to the needs and wishes of family members of the deceased, the LD will also liaise with the Social Welfare Department for financial or other assistance.

For the sake of securing the safety and health of employees at work, the LD appeals to employers to provide plant and systems of work that are safe and without risks to health. Employees should co-operate with their employers, adopt all safety measures and use personal protective equipment provided properly to avoid endangering their own work safety and that of other workers.

Speech by FS at GS1 HK 30th Anniversary Dinner (English only)

Following is the speech by the Financial Secretary, Mr Paul Chan, at the GS1 HK 30th Anniversary Dinner today (March 12):

Kelvin (Vice Chairman of GS1 Hong Kong, Dr Kelvin Leung), Anna (The Chief Executive of GS1 Hong Kong, Ms Anna Lin), 劉éf¨é•· (Deputy Director-General of the Economic Affairs Department and Head of the Commercial Office of the

Liaison Office of the Central People's Government in the Hong Kong Special Administrative Region, Mr Liu Yajun), government colleagues, distinguished guests, ladies and gentlemen,

Good evening.

It is a great pleasure to be here tonight to celebrate with you the 30th anniversary of GS1 Hong Kong.

GS1 got its start in 1989, as the Hong Kong Article Numbering Association, introducing global barcode standards to Hong Kong. Today, I'm told, barcodes are scanned some 6 billion times a day, enabling companies, here in Hong Kong and all over the world to bring efficiency to their supply chains.

Hong Kong has long taken pride in ensuring a level playing field for business. GS1 Hong Kong, I'm pleased to say, has been instrumental in levelling our playing field.

The non-profit standards organisation counts some 8 000 corporate members in nearly 20 industries, from consumer goods and food services to healthcare, logistics, information technology and more. On top of boosting supply chain efficiency, GS1 offers advice and support, and helps transform companies through innovative solutions and new technologies.

This evening's theme, "30 Years of Success", says it all.

Over these last three decades, Hong Kong has thrived as well, transforming from a regional manufacturing hub into a leading global financial and logistics centre.

Over the past few years, we have also been emerging as a regional innovation and technology (I&T) hub.

Since the establishment of the Innovation and Technology Bureau in November 2015, the Government has committed about \$130 billion towards I&T initiatives and programmes. And we're just getting going.

Consider, for example, the Smart City Blueprint for Hong Kong. Since the document's release in December 2017, we have been working on more than 70 initiatives outlined in the Blueprint.

We are, I'm pleased to note, making good progress, particularly in the digital transformation of Hong Kong. Next year, we will launch an electronic identity (eID) programme for all Hong Kong residents. The eID will serve as a single digital authentication, enabling individuals to conduct government and commercial transactions online, simply, conveniently and securely.

Down the digital road, eID will promote the development of such emerging sectors as e-commerce, digital trade and online payment.

Open data is pivotal to the realisation of the smart city. Under the new open-data policy, government bureaux and departments will release data

through our open data portal, to be used freely by the public, unless, of course, there are valid reasons not to; say, to protect privacy. The number of open datasets will increase to nearly 4 000 by the end of this year from about 3 300 now.

By mid-year, we will also begin to install smart lampposts in select areas. Equipped with sensors and Internet of Things devices, they will capture traffic, weather and other real-time city data for analysis and better city management. Such data will also be open to the public free of charge.

And there's much more innovation and technology on the way. The Smart Government Innovation Lab will be launched in April to strengthen coordination and promotion of the use of I&T products and solutions in the Government. Through the Lab, local SMEs and start-ups will be invited to submit proposals for I&T applications and products for different public services.

At every smart step of the way, I know we can count on GS1 Hong Kong for standards-based services and solutions that connect government, business and the Hong Kong community. In doing so, GS1 Hong Kong optimises efficiency, creating value, and helping us all excel.

I wish you all a wonderful evening and record-setting standards, professionally and personally, in the year to come.

Thank you.

<u>Secretary for Justice visits Southern</u> <u>District (with photos)</u>

The Secretary for Justice, Ms Teresa Cheng, SC, visited Southern District today (March 12) to keep abreast of the latest development in the district. She also met with District Council members during her visit.

Accompanied by the Chairman of the Southern District Council, Dr Chu Ching-hong, and the District Officer (Southern), Mrs Dorothy Ma, Ms Cheng visited Caritas Wu Cheng-chung Secondary School in Pokfulam. The school provides a wide range of after-school activities for students to develop their creativity and collaboration skills.

Ms Cheng joined students in cooking demonstrations and watched a hockey training session, after which she also chatted with some of the students to know more about their learning experience.

Before concluding her visit, Ms Cheng met with members of the Southern

District Council and exchanged views on issues of concern.











CAD responds to media enquiries on Boeing B737 MAX aircraft

In response to media enquiries on Boeing B737 MAX aircraft, a spokesman for the Civil Aviation Department (CAD) today (March 12) responded as follows:

There are no Boeing B737 aircraft (including the B737 MAX) registered in Hong Kong. Holders of Air Operator's Certificate (airlines) in Hong Kong mainly use locally registered aircraft. For non-locally registered aircraft, according to the requirements of the International Civil Aviation Organization (ICAO), the State of Registry of the aircraft should ensure the aircraft's safety standards and operation in accordance with ICAO's requirements.

With regard to non-locally registered aircraft operating to and from Hong Kong, it is to the CAD's understanding that SpiceJet of India and Globus Airlines of Russia may currently use B737 MAX aircraft to operate flights to and from Hong Kong International Airport. The CAD is contacting the airlines concerned to understand their aircraft assignments. In addition, Garuda Indonesia of Indonesia and MIAT Mongolian Airlines of Mongolia have used B737 MAX aircraft for flights to and from Hong Kong. The civil aviation authorities concerned have suspended their locally registered B737 MAX aircraft from operation. Passengers may consult their airlines on individual flight arrangements.

As the Federation Aviation Administration of the United States (the type-certification authority of B737 MAX aircraft) affirms the airworthiness of B737 MAX aircraft and the investigation into the Ethiopian Airlines accident is still ongoing, the CAD will closely monitor the developments, the investigation progress and the information of relevant aviation authorities.